

**Before the
FEDERAL COMMUNICATIONS COMMISSION
Washington, D.C. 20554**

In the Matter of)	
)	
Applications Filed For The Transfer Of)	WC Docket No. 12-265
Control Of Subsidiaries Of MCV Guam)	
Holding Corp. To DOCOMO Guam)	
Holdings, Inc.)	

**REPLY COMMENTS OF
DOCOMO GUAM HOLDINGS, INC. & MCV GUAM HOLDING CORP.**

DOCOMO Guam Holdings, Inc. (“DOCOMO Guam”) and MCV Guam Holding Corp. (“MCV”) hereby jointly reply to the two filings made in response to the Public Notice in the above-captioned proceeding.¹ One Economy Corporation and One Global Economy (together “One Economy”) support the transaction,² and the Department of Justice, including the Federal Bureau of Investigation, with the concurrence of the Department of Homeland Security (collectively, “Team Telecom”), filed a letter requesting that the Federal Communications Commission (“FCC” or “Commission”) defer granting the Applications³ pending completion of

¹ See *Applications Filed For The Transfer Of Control Of Subsidiaries Of MCV Guam Holding Corp. To DOCOMO Guam Holdings, Inc.*, WC Docket No. 12-265, Public Notice, DA 12-1579 (rel. Oct. 3, 2012) (“Public Notice”).

² Comments of One Economy Corporation and One Global Economy, WC Docket No. 12-265 (filed Oct. 17, 2012) (“One Economy Comments”).

³ Application of MCV Guam Holding Corp. and DOCOMO Guam Holdings, Inc. to Transfer Control of Domestic Section 214 Authorizations, WC Docket No. 12-265 (filed Sept. 24, 2012); Applications of MCV Guam Holding Corp. and DOCOMO Guam Holdings, Inc. to Transfer Control of International Section 214 Authorizations, File Nos. ITC-T/C-20120921-00240, ITC-T/C-20120921-00241; ITC-T/C-20120921-00243 (filed Sept. 21, 2012); Application of DOCOMO Guam Holdings, Inc. to Transfer Control of Guam Cable Group, Inc.’s Interest in the China-U.S. Cable, SCL-T/C-20120924-00011 (filed Sept. 21, 2012); and Application of DOCOMO Guam Holdings, Inc. to Transfer Control of CARS Licensee CNMI Cablevision, LLC, CAR-20120927AA-09 (filed Sept. 21, 2012) (collectively, the “Applications”).

national security, law enforcement, and public safety review.⁴ No parties petitioned for denial of the Applications.

The lack of opposition is unsurprising: The Applications demonstrate that the transfer of control will promote the public interest by allowing DOCOMO Guam—through its parent company, NTT DOCOMO, INC.—to bring its telecommunications expertise, management resources, and financial stability to MCV’s operations in Guam and the Commonwealth of the Northern Mariana Islands (“CNMI”), and that the transaction will not result in any competitive harm. Indeed, the comments filed by One Economy highlight the benefits of the transaction to telecommunications customers in Guam and the CNMI. These benefits include increased availability of innovative services and lower costs.

Of course, DOCOMO Guam is committed to satisfying any issues raised by Team Telecom. As explained in the Applications, DOCOMO Guam is a party to a security agreement (“Agreement”) negotiated as part of DOCOMO Guam’s acquisition of Guam Cellular and Paging, Inc. in 2006.⁵ DOCOMO Guam has affirmed that the commitments and undertakings in the Agreement will continue to be binding after the proposed transfer of control that is the subject of the instant Applications. In addition, DOCOMO Guam agrees to accept as a condition to grant of the proposed transfer of control of MCV that the terms and conditions of the Agreement apply to the additional facilities and licenses it acquires. DOCOMO Guam is

⁴ Letter from Kristin A. Taylor, Attorney, National Security Division, U.S. Department of Justice to Marlene H. Dortch, Secretary, Federal Communications Commission, WC Docket 12-265 (filed Oct. 16, 2012) (“Team Telecom Letter”).

⁵ See Applications, Exhibit 1 at 7, citing *Applications of Guam Cellular and Paging, Inc. and DoCoMo Guam Holdings, Inc. for Consent to Transfer Control of Licenses and Authorizations*, Memorandum Opinion and Order and Declaratory Ruling, 21 FCC Rcd 13580 (2006) (“Guam Cellular Order”).

committed to working with Team Telecom to respond to any questions and address any concerns regarding the transaction.

I. ONE ECONOMY’S FILING DEMONSTRATES NUMEROUS TRANSACTION BENEFITS.

One Economy’s comments help to demonstrate how the proposed transaction will benefit the public. Through its work to support the National Telecommunications and Information Administration’s State Broadband Initiative, One Economy is familiar with the telecommunications marketplace in Guam and the CNMI.⁶ Based on this experience, One Economy concludes that the transaction raises no competitive concerns and will benefit consumers. In particular, One Economy emphasizes that the number of competitors in the relevant markets will remain the same after consummation of the transaction and that DOCOMO Guam’s “acquisition of MCV . . . will not significantly decrease competition for residential or enterprise-level broadband [I]nternet in Guam or the [CNMI].”⁷ One Economy also recognizes that the transaction likely will result in lower prices and increased service options for consumers in Guam and the CNMI. The post-transaction company will be better equipped to compete with ILECs on Guam and the CNMI because it “will be able to offer a broader range of services than either company could alone. This could potentially reduce costs to consumers and lead to a more competitive market for broadband [I]nternet in the territories.”⁸

⁶ One Economy Comments at 1-2, 4-6.

⁷ *Id.* at 8.

⁸ *Id.*

II. DOCOMO GUAM AND MCV SHARE ONE ECONOMY'S COMMITMENT TO CORPORATE SOCIAL RESPONSIBILITY PROGRAMS THUS MAKING FCC CONDITIONS UNNECESSARY AND INAPPROPRIATE.

One Economy believes that DOCOMO Guam and MCV should promote broadband adoption through corporate social responsibility programs.⁹ One Economy also asks that the Commission approve the transaction with the “stipulation” that DOCOMO Guam and MCV “invest in digital inclusion programs.”¹⁰

DOCOMO Guam and MCV take seriously and are already fulfilling their responsibilities to help close the digital divide in Guam and the CNMI, and any “stipulation” regarding broadband adoption is neither necessary nor appropriate. For example, DOCOMO Guam’s subsidiary DOCOMO PACIFIC, INC., annually donates to and supports numerous community programs on both Guam and the CNMI, particularly programs that target youth, minority, and under-included groups, including, among others, the Filipino Community of Guam, the Homeless Coalition of Guam, and the Women’s Society of Guam.¹¹ In addition, MCV’s subsidiaries have shown a strong commitment to digital inclusion in Guam and the CNMI, including by bringing communications service to anchor institutions in Guam.¹²

In addition, the CLEC subsidiaries in Guam and the CNMI that are part of this transaction promote broadband adoption as part of their current high-speed Internet service offerings. Each, obviously, already is motivated to expand its base of broadband customers to include residents not currently using the Internet and will retain such incentives post-closing.

⁹ *Id.*

¹⁰ *Id.*

¹¹ *Cf. id.* (identifying youth IT training programs as one means to close the digital divide).

¹² See MCV Broadband, “Our Community – MCV Cable Cares” <http://www.mcvguam.com/community.html> (last visited Oct. 21, 2012).

DOCOMO Guam and MCV look forward to further discussions with One Economy to identify additional opportunities to promote digital adoption on Guam and the CNMI. However, imposing conditions related to broadband adoption is unnecessary and—because broadband adoption is not a transaction-specific issue—contrary to Commission precedent.¹³

III. CONCLUSION

The instant transfer will produce benefits for the people of Guam and the CNMI and will result in no competitive harm, as explained in the Applications. One Economy's comments are further, and compelling, evidence that the proposed transaction is in the public interest. Its comments support the Commission's speedy approval of the license transfers. In light of the lack of any opposition in the record, the Commission should approve the transaction with only those conditions resulting from completion of the Team Telecom process.

Respectfully submitted,

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¹³ It is well-established that the Commission's "merger review is limited to consideration of merger-specific efforts." *Applications for Consent to the Transfer of Control of Licenses from Comcast Corporation and AT&T Corp., Transferors, to AT&T Comcast Corporation, Transferee*, Order, 17 FCC Rcd 22633, ¶ 11 (2002). *See also Joint Applications of Global Crossing Ltd. and Citizens Communications Co. for Authority to Transfer Control of Corporations Holding Commission Licenses and Authorizations Pursuant to Sections 214 and 310(d) of the Communications Act and Parts 20, 22, 63, 78, 90, and 101 of the Commission's Rules*, Memorandum Opinion & Order, 16 FCC Rcd 8507, ¶ 10 (CCB, IB, CSB, WTB 2001) (rejecting suggested conditions because commenters "failed to show that the harms they allege are sufficiently merger-specific or come within the scope of harms [the Commission] consider[s] in dealing with license transfer applications").

CERTIFICATE OF SERVICE

I hereby certify that on the 24th day of October, 2012, I caused a true copy of the foregoing to be sent by first-class mail to:

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